THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) No rebate is allowable on interest accruing on HBA to the Central Government employees or any other similarly placed individuals. However, a deduction on account of interest accrued on HBA is allowable subject to the limits prescribed u/s 24(b) of the Income-tax Act, 1961.

(b) Central Government employees who have availed HBA in the slab of Rs. 5—7.5 lakhs before 1999 are liable to pay more than 11% interest, as per OM dated 16.12.1997, issued by Ministry of Urban Development.

(c) The deduction on account of interest payable on HBA and other housing loans, as per the IT Act is limited to Rs. 30,000/- for the loans taken before 1.4.99 and Rs. 1.50 lakhs, for the loans taken thereafter in respect of self occupied property.

(d) The monetary limit of interest allowance in respect of self occupied house property reflects the policy decisions of the Government approved by the Parliament *vide* Finance Acts. Monetary limits for various incentives/deductions under the Income-tax Act are modified taking into account the relevant economic circumstances prevailing at that time.

Project for reducing poverty

2713. SHRI K.B. KRISHNAMURTHY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Karnataka Government has sent Rs. 1,170 crore Community Heralded Empowerment Transformation and New Awakening Project (CHETNA) aimed to reduce poverty, if so, whether it has forwarded to the World Bank;

(b) if so, by when; and

(c) what is the present status of the above project?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (c) Yes, Sir. Community Heralded Empowerment Transformation and New Awakening Project (CHETNA) proposal sent by Government of Karnataka with an estimated total

cost of Rs. 1126.80 crores was posed to the World Bank on 13.8.2002 for financial assistance. The Project is at preparation stage.

Restoration of LTC for Central Government Employees

2714. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Leave Travel Concession (LTC) for the Central Government Employees may be restored to boost tourism;

(b) if so, the details thereof; and

(c) whether it would be extended once in four years for pensioners for encouraging inland domestic travel?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) LTC facility has been restored to Central Government Employees with effect from current block year 2002-2005 for any place in India and 2002-2003 for hometown.

(c) There is no such proposal.

Interest rate on advances to Self-Help Groups

2715. MISS MABEL REBELLO: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the reasons for Public Sector banks charging 12 per cent interest on advances to Self-Help Groups;

(b) what is the total deposits of the Self-help Groups in the nationalized banks; and

(c) what are the details of advances to Self-Help Groups by the nationalized banks during the last three years, bank-wise?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Banks charge rates of interest on loans to Self-Help Groups (SHGs) within the overall instructions of Reserve Bank of India (RBI). While fixing the rates of interest banks take into account the cost of funds, transaction cost, risk costs and margin. However, as per the present instruction of RBI, commercial